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NEWS RELEASE

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FOR RELEASE _____ May 16, 2008 _____

Auditor of State David A. Vaudt today released a report on a special investigation of the City of Center Point Library for the period January 1, 2006 through December 6, 2007. The special investigation was a result of concerns identified by City staff and during the City's financial audit. The Library Director, Donna Turner, resigned from her position on December 5, 2007.

Vaudt reported the special investigation identified \$2,525.13 of undeposited collections and \$964.65 of improper and unsupported disbursements. The undeposited collections include \$475.13 of proceeds from selling library books on Amazon.com. The proceeds, after deduction of \$133.34 of commission fees, were deposited to Ms. Turner's personal bank account. At the time of Ms. Turner's resignation, 211 of the Library's books were for sale on Amazon.com. The undeposited collections also include a \$2,050.00 State warrant issued to the City of Center Point from the Iowa Department of Education. The City was awarded the funds to defray travel costs associated with a conference attended by Ms. Turner. Ms. Turner deposited the State warrant into her personal account instead of the City's account.

The improper disbursements of \$922.07 include purchases of books and movies which could not be located in the Library. The unsupported disbursements of \$42.58 include a travel reimbursement to Ms. Turner.

On February 1, 2008, Ms. Turner's attorney submitted a \$1,356.56 check from Ms. Turner to the City of Center Point for repayment of a portion of the State warrant she deposited into her personal bank account.

Vaudt also reported adequate records for all receipts were not available to determine if all collections were deposited.

The report includes recommendations to strengthen the City's internal controls and operations of the Library, such as improvements to segregation of duties, requiring Board approval and proper documentation for disbursements and establishing policies regarding travel and the use of credit cards.

Copies of the report have been filed with the Linn County Attorney's Office, the Attorney General's Office and the Division of Criminal Investigation. A copy of the report is available for review in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/specials/specials.htm>.

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**REPORT ON SPECIAL INVESTIGATION
OF THE
CITY OF CENTER POINT LIBRARY
FOR THE PERIOD
JANUARY 1, 2006 THROUGH DECEMBER 6, 2007**

Table of Contents

	<u>Page</u>
Auditor of State's Report	3-4
Investigative Summary:	
Background Information	5
Detailed Findings	5-12
Recommended Control Procedures	13-15
Exhibits:	<u>Exhibit</u>
Summary of Findings	A 17
Sale of Library Books on Amazon.com	B 19
Conference Travel Expenses	C 20-21
Credit Card Purchases	D 22-29
Staff	30
Appendices:	<u>Appendix</u>
Examples of Books Sold on Amazon.com	1 32-33
Copy of Contractual Agreement with the Department of Education	2 34-35
Copy of State Warrant	3 36
Copy of the Deposit Slip Including the State Warrant	4 37
Copies of Documents Submitted by Ms. Turner	5 38-41
Copy of Travel Log Reviewed by the Department of Education	6 42
Copy of Authentic Hotel Helix Receipt	7 43
Copy of Repayment Check from Ms. Turner	8 44



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Auditor of State's Report

To the Center Point Library Board and
Members of the City Council:

As a result of alleged improprieties regarding certain undeposited collections, we conducted a special investigation of the City of Center Point Library. We have applied certain tests and procedures to selected financial transactions of the Library for the period January 1, 2006 through December 6, 2007. Because limited records were available for the period prior to January 1, 2006, procedures were not performed for that period. Based on discussions with City officials and personnel and a review of relevant information, we performed the following procedures:

- (1) Evaluated internal controls to determine whether adequate policies and procedures were in place and operating effectively.
- (2) Examined supporting documentation for selected disbursements to determine if they were properly supported and approved.
- (3) Traced selected disbursements to bill listings presented to the Library Board to determine if they were properly approved.
- (4) Examined selected payroll disbursements to the former Library Director, Donna Turner, to determine if amounts were appropriate.
- (5) Examined monthly receipt records and bank documents to determine if recorded collections were deposited.
- (6) Reviewed activity in the City's bank account to identify any unusual activity. We also examined certain redeemed checks, deposit slips and related documents for propriety.
- (7) Confirmed payments made to the Library by the State of Iowa to determine if they were properly deposited.
- (8) Examined activity in an Amazon.com account which included transactions conducted using Ms. Turner's library e-mail account to identify any books purchased and sold. We also examined the City's bank statements to determine if any proceeds from the sale of books using the Amazon.com account were deposited to the City's account.

These procedures identified \$2,525.13 of undeposited collections and \$964.65 of improper and unsupported disbursements. We were unable to determine if all collections were properly deposited because Library receipt records were not available. Several internal control weaknesses were also identified. Our detailed findings and recommendations are presented in the Investigative Summary and **Exhibits A** through **D** of this report.

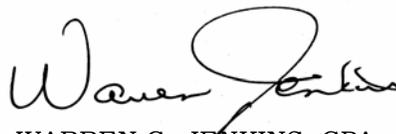
The procedures described above do not constitute an audit of financial statements conducted in accordance with U. S. generally accepted auditing standards. Had we performed additional procedures, or had we performed an audit of financial statements of the City of Center Point Library, other matters might have come to our attention that would have been reported to you.

Copies of this report have been filed with the Linn County Attorney's Office, the Attorney General's Office and the Division of Criminal Investigation.

We would like to acknowledge the assistance and many courtesies extended to us by the officials and personnel of the City of Center Point during the course of our investigation.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

March 28, 2008

City of Center Point Library
Investigative Summary

Background Information

The Center Point Library is a department of the City of Center Point. The Library is governed by a Library Board appointed by the Mayor and City Council members. The Library has 3 employees, including a Director. In addition, volunteers assist with library duties. In August 1996, the Board authorized hiring Donna Turner as the Library Director.

As the Director, Ms. Turner was responsible for the daily operations of the Library, including purchasing books and supplies, organizing volunteers to staff the Library and general administrative duties. Ms. Turner was also responsible for collecting fines, preparing monthly financial reports for the Board and obtaining the Board's approval of disbursements. After disbursements were approved by the Library Board, they were presented to the City Council for approval. Once approved by the Council, checks were prepared by the City Clerk and returned to Ms. Turner for mailing.

On November 26, 2007, the City Clerk became aware Ms. Turner was selling library books on Amazon.com. The Library Board held a special meeting on November 26, 2007 to discuss the sale of the books. The Board went into closed session during the meeting to discuss the concern. No personnel action was taken during the meeting.

Also during November, while conducting fieldwork for the City's financial audit for the fiscal year ended June 30, 2007, staff from the Office of Auditor of State identified a payment to the City from the State of Iowa that was not deposited to the City's account. The payment was for a \$2,050.00 grant from the Iowa Department of Education to reimburse the City for Ms. Turner's expenses to travel to a conference in Washington, D.C. Because the warrant was not properly deposited to the City's account, we obtained a copy of the redeemed warrant and determined it was endorsed by Ms. Turner.

On December 4, 2007, the Library Board held a special meeting to discuss the warrant Ms. Turner deposited. During the meeting, Ms. Turner was asked to provide documentation for the expenses incurred to attend the conference. According to the City Clerk, the documentation was provided for her review on December 4, 2007. Based on a preliminary review of the documentation Ms. Turner submitted to the City Clerk, not all of the receipts appeared authentic. After determining the hotel receipt submitted by Ms. Turner did not agree with the receipt actually issued by the hotel, the City Clerk notified the Board President of the discrepancy.

The Board President subsequently gave Ms. Turner the option of meeting with the Library Board to discuss the hotel receipt or resigning from her position as Library Director. Ms. Turner resigned on December 5, 2007.

As a result of concerns identified during the financial audit fieldwork, we performed the procedures detailed in the Auditor of State's Report for the period January 1, 2006 through December 6, 2007.

Detailed Findings

These procedures identified \$2,525.13 of undeposited collections and \$964.65 of improper or unsupported disbursements from January 1, 2006 through December 6, 2007. We were unable to determine if all collections were properly deposited because receipt records were not available. All findings are summarized in **Exhibit A** and a detailed explanation of each finding follows.

UNDEPOSITED COLLECTIONS

Book Sales – Ms. Turner was responsible for ordering new books for the Library and removing old books from the shelves when they had not been checked out for an extended period of time. If a fiction or non-fiction book had not been checked out for either a 2 or 5 year period, respectively, it is considered outdated and is to be removed from the Library's shelves. The books removed from the shelves were to be stored in the basement until the annual book sale conducted by the Friends of the Library. The Friends of the Library is a not-for-profit organization which was created to assist the Library in fund-raising events and provide assistance when the Library was short-staffed.

Instead of storing the outdated books until the book sale, Ms. Turner sold some of the Library's books on Amazon.com. According to the City Clerk, she discovered Ms. Turner was selling library books on Amazon.com when Ms. Turner submitted a photocopy of a bill for payment on the back of an e-mail she received from Amazon.com. The e-mail stated money was going to be deposited into Ms. Turner's bank account from the sale of books. The City Clerk was not able to find any deposits to the City's accounts for the sale of books through Amazon.com.

We subpoenaed Ms. Turner's personal bank statements and scanned all deposits to determine their source. We identified 9 electronic deposits in Ms. Turner's personal account from "AMAZON.COM Retail Ref." The 9 deposits total \$341.79 and are listed in **Table 1**.

Date	Description	Amount
06/15/07	AMAZON.COM Retail Ref	\$11.76
06/29/07	AMAZON.COM Retail Ref	32.16
07/13/07	AMAZON.COM Retail Ref	16.03
08/10/07	AMAZON.COM Retail Ref	121.40
08/24/07	AMAZON.COM Retail Ref	9.72
09/07/07	AMAZON.COM Retail Ref	44.15
11/02/07	AMAZON.COM Retail Ref	10.15
11/16/07	AMAZON.COM Retail Ref	38.09
11/30/07	AMAZON.COM Retail Ref	58.33
Total		<u>\$341.79</u>

We also subpoenaed account information from Amazon.com to obtain activity for the account which used Ms. Turner's library e-mail address of cpulib@fmtcs.com. This was also the e-mail address the City Clerk saw on the back of the photocopied bill. With the subpoena, we determined Ms. Turner's user name on Amazon.com was "Dee T." and her seller name was "13ANNOD." We also obtained a listing of all books sold by the individual with these user and seller names. The account was established on October 28, 2005. According to the documentation received from Amazon.com, 23 books were sold by Ms. Turner between June 9, 2007 and November 28, 2007. The books and their prices are listed in **Exhibit B**.

We attempted to determine which, if any, of the books on the listing were City Library books. According to a Library employee who reviewed the titles of the books, the books sold were either books purchased by the Library or books donated to the Library by citizens.

The Linn County Sheriff's Office also was able to determine 2 of the books sold by Ms. Turner were the property of the Library. Acting as a buyer, an Officer from the Sheriff's Office

purchased 2 books from the seller "13ANNOD." The Officer had the books mailed to his home address. When he received the books, he observed a Center Point Library barcode sticker on the cover of each book. Copies of the covers of the 2 books sold to the Officer are included in **Appendix 1**.

At the request of a Library employee, a representative of Amazon.com e-mailed a list of 211 books available for sale by "13ANNOD" to the employee on December 18, 2007. The account was then closed by a Library employee on the same date and the books are no longer available for sale on Amazon.com. According to a Library employee, the 211 books consisted of donated books and books which had been removed from the shelves for the book sale. These books had previously been stored in the basement. However, Library staff are unable to determine if they are still there.

The individuals who purchased the 23 books from Ms. Turner's Amazon.com account paid more than the \$341.79 deposited to Ms. Turner's personal bank account. In addition to the proceeds deposited to Ms. Turner's account, the purchasers spent \$133.34 which was retained by Amazon.com as commission fees. The fees retained by Amazon.com are a percentage of the seller's sales. By comparing the sales price of the books sold on Amazon.com to the amounts deposited to Ms. Turner's personal account, we determined commission fees of \$133.34 were incurred on the sales. This amount is included in **Exhibit B**.

As also illustrated by **Exhibit B**, the purchasers paid Ms. Turner \$3.99 to ship each book. We were unable to determine the actual amount of shipping charges incurred and how Ms. Turner paid for these charges. The charges may have been paid with Library funds or Ms. Turner's personal funds. Because we are not able to determine the source of funds used to pay for the shipping, **Exhibit A** does not include any improper disbursements for the actual cost of shipping the books.

The sale proceeds and the commission fees incurred have been included in **Exhibit A** as undeposited collections in the amount of \$475.13.

State Warrant – We reviewed all State warrants issued to the City and the Library to determine if they were properly deposited in a timely manner to the City's bank accounts. As stated previously, during the financial audit fieldwork, we identified a State warrant which was not deposited to the City's accounts or recorded in the City's records. The \$2,050.00 warrant was issued by the Iowa Department of Education (DE).

The funds were awarded to the City to reimburse travel expenses for Ms. Turner to attend the American Library Association (ALA) Conference in Washington, D.C. from June 21, 2007 through June 28, 2007. According to the contractual agreement with DE, each participant was required to submit an accounting of the travel expenses to DE and return any unused funds. A copy of the contractual agreement is included in **Appendix 2**. As illustrated by the **Appendix**, the agreement allowed participants to be reimbursed for travel, lodging, meal and registration costs incurred. DE required participants to comply with the meal limits established by the State of Iowa for out-of-state travel.

We obtained a copy of the redeemed warrant from the State of Iowa. A copy is included in **Appendix 3**. As illustrated by the **Appendix**, the warrant was endorsed by D. Turner. By reviewing Ms. Turner's personal bank statements, we determined the warrant was deposited to Ms. Turner's personal bank account on June 19, 2007. A copy of the deposit is included in **Appendix 4**. The \$2,050.00 warrant amount has been included in **Exhibit A**.

According to the City Clerk, Ms. Turner explained she deposited the warrant to her personal account as reimbursement for expenses she incurred to attend the conference. However, according to the City Clerk, all warrants issued to the City should be deposited to the City's account. In addition, documentation of travel expenses incurred by City employees is to be submitted to the City Clerk for reimbursement. Once documentation is received and reviewed

by the City Clerk, she includes it on the bill listing provided to the Council at the next meeting. After Council approval, all checks are prepared, including travel reimbursements to employees.

As stated previously, Ms. Turner was asked at the December 4, 2007 Library Board meeting to provide supporting documentation for the expenses to attend the conference. Ms. Turner provided a State of Iowa – Non-Employee Travel Log, a receipt from Hotel Helix in Washington, D.C., a registration e-mail from ALA and an e-mail with information about airfare. Copies of the documents submitted by Ms. Turner are included in **Appendix 5**. As illustrated by the **Appendix**, the Travel Log totaled \$2,375.99, which is \$325.99 more than the warrant from the State.

We obtained a copy of the Travel Log Ms. Turner submitted to DE in August 2007 as required by the contractual agreement included in **Appendix 1**. Because DE did not require supporting documentation, such as receipts to be submitted with the Travel Log, DE did not have copies of any supporting documentation. The Travel Log Ms. Turner submitted to the City Clerk included the same information as the copy of the Travel Log we obtained from DE.

A representative of DE's Division of Library Services reviewed the Travel Logs submitted by each participant. When the Travel Log submitted by Ms. Turner was reviewed, certain costs were determined to be unallowable. The allowable costs totaled \$1,974.09 rather than the \$2,375.99 submitted by Ms. Turner. **Appendix 6** includes a copy of the Travel Log as adjusted by the DE representative.

According to the DE representative, he contacted Ms. Turner in November 2007 and notified her of the \$75.91 difference between the \$2,050.00 warrant and the \$1,974.09 of allowable costs. He informed her \$75.91 was to be returned to DE. The DE representative also stated he was contacted by Ms. Turner a few weeks later when she requested a copy of the Travel Log she submitted to DE. She explained to him she needed to submit a copy of the Travel Log to the City because questions had been raised.

According to the DE representative, the City Clerk called him a few days later and informed him of the concerns identified with the hotel bill submitted to her by Ms. Turner. He also stated the City Clerk informed him of the pending investigation. Arrangements were made to repay DE after completion of the investigation.

The DE representative also stated 6 Travel Logs had been submitted to DE by Librarians who had attended the conference in Washington D.C. Each of the Librarians had been awarded \$2,050.00 for expenses for the trip. Of the 6 Travel Logs submitted, only the Travel Logs submitted by Ms. Turner and the Central City Librarian exceeded the \$2,050.00 awarded. The costs submitted by the remaining Librarians ranged from \$1,627.00 to \$1,969.00.

Each of the expenses submitted by Ms. Turner is discussed in detail in the following paragraphs.

Hotel charges – During the City Clerk's review of the documentation submitted by Ms. Turner, she noticed the letterhead on the hotel receipt was cut off and taped on the sheet of paper showing hotel charges. In an attempt to verify the information submitted by Ms. Turner, the City Clerk called Hotel Helix.

While talking with a representative from Hotel Helix, the City Clerk learned Ms. Turner shared her hotel room with 2 other individuals. As a result, the City Clerk requested the hotel representative fax her copy of the hotel receipt. A copy of the receipt received from the hotel is included in **Appendix 7**.

As illustrated by the **Appendix**, the receipt obtained from the hotel shows a \$209.00 room charge and \$30.31 tax was incurred for each of 5 nights for a room in the name of Denise Levenhagen, who is the Central City Librarian. While the charges incurred totaled \$1,082.05, payment was made with 3 credit cards. Each occupant of the room

paid an equal share of the cost, which totaled \$398.85 each. As illustrated by **Appendix 5**, the hotel receipt submitted by Ms. Turner showed she paid the total charges of \$1,082.05. According to the City Clerk, the other individuals Ms. Turner shared the room with were the Librarian from Central City and a friend of hers. The hotel receipt submitted by Ms. Turner was for \$683.20 more than she actually paid.

We spoke with the City Clerk from Central City and learned the Central City Librarian also submitted a receipt showing she paid the total charges of \$1,082.05 rather than the \$398.85 she actually paid. According to the Central City Clerk, the Librarian was asked to repay the State the difference between the amount she initially reported and the amount she actually paid.

Meals – As stated previously, DE required the use of the State’s out-of-state travel meal limits while attending the conference. The State’s meal limits for the Washington, D.C. area at the time of the conference were \$8.00 for breakfast, \$9.00 for lunch and \$28.00 for dinner. The individual meal limits totaled \$45.00 per day. As stated previously, a representative of DE’s Division of Library Services adjusted the costs submitted on Ms. Turner’s Travel Log to comply with allowable limits. The adjustments included the amounts Ms. Turner claimed for meals. Ms. Turner requested \$496.50 for meals, but DE’s representative allowed only \$229.00. **Table 2** illustrates the amounts Ms. Turner claimed for meals and the amount allowed.

Table 2

Date	Breakfast	Lunch	Dinner	Total Claimed	Allowable Amount
05/21/07	\$ -	25.00	45.00	70.00	37.00
05/22/07	20.00	-	65.00	85.00	45.00
05/23/07	22.50	35.00	72.00	129.50	45.00
05/24/07	45.00	20.00	85.00	150.00	45.00
05/25/07	-	15.00	25.00	40.00	40.00
05/26/07	-	22.00	-	22.00	17.00
Total	\$ 87.50	117.00	292.00	496.50	229.00

Airfare – Ms. Turner submitted a copy of passenger information provided to her electronically by the airline. The information included ticket and billing details. The cost of the airfare per the documentation was \$294.59 and was charged to an American Express credit card which was not the City’s. However, Ms. Turner claimed \$294.49 on the Travel Log, \$.10 less than the amount shown on the e-mail document.

ALA Membership and Conference Registration – As illustrated by **Appendix 5**, Ms. Turner included the \$83.00 cost of her ALA membership and the \$200.00 ALA Conference registration fee on the Travel Log. While these are allowable costs for the conference, Ms. Turner did not pay for these costs. The costs were charged on the Library’s credit card and were paid by the City on May 18, 2007.

Miscellaneous - As illustrated by **Appendix 5**, Ms. Turner reported she purchased children’s books and a t-shirt and paid for ground transportation and a fee for a scholarship bash. According to a Library employee, Ms. Turner did not bring the children’s books to the Library. As a result, the \$60.00 of books are considered to be personal purchases. The t-shirt for \$20.00 and scholarship bash fee for \$35.00 are also considered to be a personal purchases. The DE representative who reviewed Ms. Turner’s Travel Log also determined the books, t-shirt and scholarship bash were unallowable expenditures.

The expenses included in Ms. Turner’s Travel Log have been summarized on **Exhibit C** and categorized as proper or improper. As illustrated by the **Exhibit**, the expenses included in Ms. Turner’s Travel Log totaled \$2,375.99. Of that amount, we determined \$1,310.34 to be allowable and \$1,065.65 to be unallowable. Of the \$1,310.34 of allowable expenses, \$283.00 was paid with the City’s credit card and \$1,027.34 was paid by Ms. Turner.

Because Ms. Turner deposited the \$2,050.00 from DE into her personal account, she should repay any unallowable portion and any costs for which she did not incur the expense. As illustrated by **Table 3**, Ms. Turner owes the City \$1,022.66 for funds she deposited to her account in excess of the allowable conference costs she incurred. Of the amount Ms. Turner owes the City, the City should repay \$739.66 to DE.

Table 3

Description	Amount
DE grant received and deposited to Ms. Turner’s personal account	\$ 2,050.00
Allowable expenses paid by Ms. Turner	(1,027.34)
Amount which should be paid to City	1,022.66
Allowable expenses charged on City Library’s credit card which should be retained by the City	(283.00)
Refund due to DE	\$ 739.66

The City received a letter dated December 13, 2007 from Ms. Turner’s attorney along with a check payable from Ms. Turner’s personal account for \$1,356.56. A copy of the letter and check are included in **Appendix 8**. As illustrated by the **Appendix**, Ms. Turner’s attorney explained the check was repayment of the \$2,050.00 received from DE less Ms. Turner’s documented expenses for airfare and lodging. Ms. Turner was eligible to be reimbursed an additional \$333.90, which includes \$229.00 for the purchase of meals within the limits established by the State of Iowa and \$105.00 for cab fare and shuttle service at the conference. **Table 4** shows the calculation of the amount repaid by Ms. Turner. The City has not deposited the check.

Table 4

Description	Appendix	Amount
Amount awarded by DE	3	\$ 2,050.00
Less: airfare paid by Ms. Turner	5	(294.59)
lodging paid by Ms. Turner	5	(398.85)
Total		\$ 1,356.56

As illustrated by the **Table**, the amount repaid by Ms. Turner exceeds the \$1,022.66 amount due as shown in **Table 3** for the unallowable costs reported for the conference. The excess amount repaid totals \$333.90. Both the \$1,022.66 repaid by Ms. Turner for the unallowable costs and the additional \$333.90 have been included in **Exhibit A**.

Cash Collections – After Ms. Turner resigned, City employees cleaned out her desk and found 5 envelopes containing cash. The cash was counted by a representative from the Office of Auditor of State and in the presence of City employees was subsequently deposited to the City’s account.

The cash deposited totaled \$431.65. However, prior to the envelopes being counted, the City Clerk and the Library President took money out of the envelope labeled “Extra who the hell knows” in order to get the petty cash fund back to the authorized amount of \$300.00. The City

Clerk could not remember the amount of money taken from the envelope to balance the petty cash fund. There was no documentation or receipts found with the cash to identify the source or purpose of the money. The Library collects fees for fines, donations and book replacements. However, because there was no documentation or receipts, we are unable to determine the source of the cash received.

Because the money was deposited to the City’s account, the \$431.65 will not be included in **Exhibit A**. However, due to the lack of adequate documentation, we are unable to determine whether any other cash collections were not properly deposited.

IMPROPER DISBURSEMENTS

Book Vendors – During our review of library book purchases and corresponding payments, we identified several books purchased which could not be located at the Library and an invoice from Amazon.com which the City paid twice.

The Library placed several book orders with Amazon.com and Baker & Taylor. However, we identified 10 books purchased from Baker & Taylor at a cost of \$153.83 which could not be located on Library bookshelves or in the Library’s inventory listing. We also identified 46 books purchased from Amazon.com at a cost of \$396.17 which could not be located on Library bookshelves or in the Library’s inventory listing.

On October 25, 2006, Ms. Turner placed an order with Amazon.com for the purchase of 6 books which cost \$55.75. The order was submitted by Ms. Turner and paid for by the City on November 17, 2006 with check number 32170. However, on January 26, 2007, a payment was made to Amazon.com with check number 32438 for the same 6 books. Ms. Turner submitted the bill to the City Clerk for payment in both instances. We were unable to determine if a refund was issued to the City.

The improper disbursements identified total \$605.75 and are summarized in **Table 5**. The improper disbursements have also been included in **Exhibit A**.

Description	Amount
Baker & Taylor purchases	\$153.83
Amazon.com purchases	396.17
Duplicate payment to Amazon.com	55.75
Total	\$605.75

Travel Reimbursements to Ms. Turner – Ms. Turner attended classes, training events, meetings and conferences as part of her job responsibilities. Ms. Turner submitted 5 Requests for Reimbursements during the time period of our investigation which totaled \$199.23. Of the 5 reimbursements, a \$35.89 reimbursement was not supported by appropriate documentation. The reimbursement was made on April 10, 2007. The \$35.89 has been included on **Exhibit A** as an unsupported disbursement.

Credit Card – The Library has a credit card account with Cardmember Services. The 2 cards issued for the account were held by Ms. Turner and another Library employee. Both individuals were allowed to purchase items such as computer software, postage, books and movies for the Library with the credit cards. All supporting documentation was to be attached to the monthly statement and submitted to the City Clerk.

During our review of the credit card purchases, we identified \$41.97 of improper purchases and \$6.69 of unsupported purchases. The improper purchases include movies purchased from CD’s Plus which could not be located in the Library’s inventory system or on the shelves.

The unsupported purchases include purchases made at CD's Plus, Family Video, Best Buy and Staples. Because supporting documentation could not be located, we were unable to determine the propriety of the purchases.

Exhibit D lists all purchases made with the credit cards. The \$41.97 of improper disbursements and the \$6.69 of unsupported disbursements have been included in **Exhibit A**.

Payroll – All City employees are required to complete timecards. A timestamp is used to clock in and clock out. During our review of Ms. Turner's timecards, we determined Ms. Turner took 8 hours of sick leave on Sunday, April 30, 2006. However, according to a Library employee, the Library is not open on Sundays. As a result, Ms. Turner should not have been paid for the 8 hours she reported.

In addition, we identified 21 instances during which Ms. Turner spent time maintaining her Amazon.com account while working at the Library. According to documentation obtained from Amazon.com by a representative of the Linn County Sheriff's Office, Ms. Turner spent 6.68 hours on Amazon.com while she was working at the Library. As a result, Ms. Turner should not have been paid for these hours.

Table 6 summarizes the costs incurred by the City for these payments. The total costs of \$274.35 have been included in **Exhibit A**.

Description	April 30, 2006	Time spent on Amazon.com	Total
Gross pay	\$ 131.84	110.09	241.93
Employer's share of FICA	10.09	8.42	18.51
Employer's share of IPERS	7.58	6.33	13.91
Total	\$ 149.51	124.84	274.35

When reviewing Ms. Turner's timecards, we also identified 6 instances in which Ms. Turner appeared to have taken sick leave in order to meet her 40 hours per week. According to the City Clerk, employees are not allowed to take sick leave to meet their 40 hours per week. For instance, on April 26, 2006, Ms. Turner reported 39.88 regular hours and 0.12 sick leave hours. On November 22, 2006, Ms. Turner reported 38.36 regular hours and 1.64 sick leave hours.

We also identified other time periods in which the hours recorded by Ms. Turner did not correspond to the Library's hours of operation. For instance, on December 1, 2006, Ms. Turner clocked in at 8:10 p.m. and clocked out at 12:21 a.m., but the Library hours were from 9:00 a.m. to 5:30 p.m. that day.

We are unable to determine the work performed during the hours recorded on Ms. Turner's timecards. As a result, we are unable to determine if any additional improper payments were made to Ms. Turner for the time she reported.

We also determined other City employees were not in compliance with the City's policy and procedures regarding sick leave and personal time. The policy states sick leave and personal time must be taken in 1 hour increments.

ADDITIONAL INFORMATION

Petty Cash – The Library maintains a petty cash fund in the amount of \$300.00 to pay the postage for interlibrary book loans. All receipts are maintained and attached to the reimbursement request submitted to the City Clerk. The City Librarian is responsible for maintaining the fund, but all Library employees have access to the petty cash bag.

Recommended Control Procedures

As part of our investigation, we reviewed the procedures used by the City of Center Point to process collections, disbursements and payroll. An important aspect of internal control is to establish procedures that provide accountability for assets susceptible to loss from error and irregularities. These procedures provide the actions of one individual will act as a check on those of another and provide a level of assurance that errors or irregularities will be noted within a reasonable time during the course of normal operations. Based on our findings and observations detailed below, the following recommendations are made to strengthen the Library's internal controls.

- A. Segregation of Duties – An important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. The former Library Director had control over each of the following areas for the Library:

- (1) Receipts – collecting and posting to the Library's records.
- (2) Disbursements – claim preparation, initial approval and mailing checks.

Recommendation – We realize segregation of duties is difficult with a limited number of employees. However, the duties within each function listed above should be segregated between employees of the Library and/or the City. In addition, members of the Library Board should review and approve supporting documentation.

- B. Receipts – The Library collects money for various reasons, including donations and payment of fines and fees. The donations may be for the Library or the Friends of the Library. Receipts are not issued for any collections. In addition, collections are not reconciled to the amount deposited.

Recommendation – Collections should be recorded in a receipt book and deposited intact in a timely manner. Collections should also be reconciled to the amounts deposited. Any undeposited collections should be safeguarded in a locked file or safe. Also, all donations received should be recorded in a manner which specifies if the donation was for the Library or the Friends of the Library.

- C. Disbursements – During our review of the Library's disbursements, we identified the following conditions:

- (1) A reimbursement was made to the former Library Director without supporting documentation.
- (2) An invoice was paid twice.
- (3) The former Library Director submitted a photocopy of an invoice for payment.

Recommendation – All disbursements should be supported by adequate documentation to ensure the propriety of the payment and compliance with City policies. In addition, all supporting documentation should be the original invoice or receipt and not a photocopy. Also, all supporting documentation should be cancelled to prevent its reuse.

(D) Payroll – Timecards are prepared by each Library employee. A timestamp is used which records the time each employee checked in and checked out. During our review of timecards, we identified the following conditions:

- (1) Sick leave and personal time was not taken in 1 hour increments as required by City policy.
- (2) In several instances, check in and check out times were manually recorded on timecards.
- (3) In several instances, the former Library Director reported she worked during hours significantly different from the Library's hours of operation.

Recommendation – Employee timecards should be reviewed by an independent party who is familiar with the employee's attendance to ensure the timecards accurately reflect the time worked and ensure compliance with City policies.

A member of the Library Board or an independent person should review the Library Director's timecards to ensure accuracy and reasonableness.

(E) Inventory – The Library maintains a computerized inventory system to track all library books, tapes and other items checked in and out of the Library. While reviewing the inventory, we identified the following conditions:

- (1) Inventory counts or periodic checks of inventory are not performed.
- (2) All Library employees are able to add or delete materials into the inventory database.
- (3) The inventory system does not appear to be complete.
- (4) Deletions are not approved, reviewed or documented.

Recommendation – The City should implement procedures which ensure the inventory maintained by the Library is complete and accurate. Individuals responsible for the custody of the inventory items should not have the authority to add or delete books, tapes or other items to the inventory. Also, a list of all deletions should be maintained and all deletions should be reviewed and approved by the Board.

(F) Petty Cash – The Library maintains a petty cash fund in the amount of \$300.00. All Library employees and volunteers have access to the petty cash bag.

Recommendation – Only a limited number of individuals should have access to the petty cash bag. The individuals responsible for the petty cash bag should not have the authority to replenish the fund and the activity in the fund should be periodically reviewed by an independent individual.

(G) Sale of Library Materials – Books are removed from the Library shelves and the inventory system if they have not been checked out for an extended period of time. However, a listing of the books removed from the shelves is not maintained.

The books are to be stored in the basement until the annual book sale. However, the former Library Director was selling these books on Amazon.com without approval or authorization from the Library Board.

Recommendation – A listing of all books, tapes and other items removed from circulation should be maintained. The listing should be compared to the items in storage in the basement prior to disposal or sale. In addition, the Library Board should review and approve the listing prior to disposal or sale of the items. Proceeds from the sale should be compared to the listing to determine reasonableness.

- (H) Credit Card – The Library has a credit card account for which 2 cards were issued. We identified several purchases made with the credit cards which were not supported by adequate documentation.

Recommendation – Original receipts should be submitted to the City Clerk for any purchases made with the credit card, as required.

Exhibits

Report on Special Investigation of the
City of Center Point Library

Summary of Findings
January 1, 2006 through December 6, 2007

Description	Exhibit/Table Page Number	Improper	Unsupported	Total
Undeposited Collections:				
Book sales	Exhibit B	\$ 475.13	-	475.13
State warrant	Page 7	2,050.00	-	2,050.00
Subtotal		2,525.13	-	2,525.13
Improper and Unsupported Disbursements:				
Payments to book vendors	Table 5	605.75	-	605.75
Credit card purchases	Exhibit D	41.97	6.69	48.66
Travel reimbursement to Ms. Turner	Page 11	-	35.89	35.89
Payroll payments	Table 6	274.35	-	274.35
Subtotal		922.07	42.58	964.65
Total		\$ 3,447.20	42.58	3,489.78
Less Payment by Ms. Turner:				
Unallowable conference costs	Page 10			(1,022.66)
Allowable conference costs not deducted	Page 10			(333.90)
Total check amount				(1,356.56)
Net total				\$ 2,133.22

**Report on Special Investigation of the
City of Center Point Library**

Report on Special Investigation of the
City of Center Point Library

Sale of Library Books on Amazon. com
January 1, 2006 through December 6, 2007

Per Amazon.com

Book Title	Date Sold	Buyer's Price	Shipping Credit	Earnings
Return to Belle Amber	06/09/07	\$ 3.00	3.99	6.99
The Blair Reader	06/11/07	6.95	3.99	10.94
Come Again, Pelican	06/17/07	23.95	3.99	27.94
Tortilla Flat	06/23/07	10.00	3.99	13.99
Circle of the Seasons: The Journal of a Naturalist's Year	06/29/07	7.98	3.99	11.97
The Gunslinger	06/29/07	7.00	3.99	10.99
Diversity amid Globalization: World Religions, Environment, Development	07/25/07	55.00	3.99	58.99
Slave Religion: The "Invisible Institution" in the Antebellum South	07/27/07	7.00	3.99	10.99
CCTV Surveillance: Video Practices and Technology	08/02/07	75.00	3.99	78.99
Study Guide to Microbiology: An Introduction	08/19/07	9.50	3.99	13.49
Delmar's Standard Textbook of Electricity	09/01/07	50.00	3.99	53.99
The Small Woman [Inn of the Eighth Happiness]	10/28/07	10.00	3.99	13.99
Sing 'N' Celebrate for Kids! (Songs for All God's Children)	10/28/07	10.00	3.99	13.99
Spencer's Mountain	11/01/07	17.00	3.99	20.99
The New Sampler Quilt	11/06/07	9.99	3.99	13.98
Let's Talk an Oil Deal: Your Key to Oil Patch Lingo	11/07/07	12.00	3.99	15.99
From Dawn to Decadence: The twentieth century	11/14/07	8.50	3.99	12.49
A Noose for the Marshal	11/16/07	10.00	3.99	13.99
Best Western Stories	11/17/07	7.00	3.99	10.99
The Summer Game	11/19/07	5.50	3.99	9.49
The Night Before Christmas	11/25/07	6.00	3.99	9.99
Mansfield Park A Classic Romance Complete and Unabridged	11/26/07	19.99	3.99	23.98
Tommy Visits the Doctor	11/28/07	12.00	3.99	15.99
Total		<u>\$ 383.36</u>	<u>91.77</u>	475.13
Less: Sales proceeds deposited to Ms. Turner's account				<u>(341.79)</u>
Amazon.com commission fees				<u>\$ 133.34</u>

Report on Special Investigation of the
City of Center Point Library

Conference Travel Expenses
January 1, 2006 through December 6, 2007

Per Travel Log				
Date	Description	Amount	Proper	Improper
04/20/07	ALA Membership	\$ 83.00	83.00	-
04/20/07	ALA Convention Registration	200.00	200.00	-
04/20/07	Air	294.49 #	294.49	-
05/21/07 - 05/26/07	Hotel	1,082.00 *	398.85	683.15
	Events: Scholarship Bash	35.00	-	35.00
	Events: Tee-shirt	20.00	-	20.00
	Shuttle x 2	30.00	30.00	-
05/21/07 - 05/23/07	Cab Fare	75.00	75.00	-
05/21/07	Meals	70.00	37.00	33.00
05/22/07	Meals	85.00	45.00	40.00
05/23/07	Meals	129.50	45.00	84.50
05/24/07	Meals	150.00	45.00	105.00
05/25/07	Meals	40.00	40.00	-
05/26/07	Meals	22.00	17.00	5.00
05/23/07	Children's Books	60.00	-	60.00
	Total	<u>\$2,375.99</u>	<u>1,310.34</u>	<u>1,065.65</u>

- Amount recorded on Travel Log does not match expense incurred per receipt. Amount should be \$294.59.

* - Amount recorded on Travel Log does not match expense incurred per receipt. Amount should be \$1,082.05.

Reason Improper

Ms. Turner shared the hotel room with 2 other individuals. Each person's share of the bill was \$398.85. However, Ms. Turner submitted a hotel claim for \$1,082.05 which was the amount of the whole bill. The City Clerk called the hotel and received a fax of the original bill which shows the split between 3 different credit cards.

Personal purchase not covered by the grant

Personal purchase not covered by the grant

Exceeded out-of-state meal limits.

According to a Library employee, Ms. Turner did not bring the books purchased to the Library. Therefore, it is a personal purchase not covered by the grant.

Report on Special Investigation of the
City of Center Point Library

Credit Card Purchases
January 1, 2006 through December 6, 2007

Name of Cardholder	Transaction Date	Transaction Detail	Amount
Donna Turner			
	12/10/05	USPS	\$ 1.90
	12/23/05	CD's +	3.15
	12/28/05	USPS	5.25
	01/05/06	CD's +	25.98
	08/12/06	Best Buy	888.98
	08/14/06	CD's +	41.97
	08/14/06	Best Buy	60.95
	08/15/06	Best Buy	(699.00)
	08/15/06	Best Buy	889.97
	09/09/06	CD's +	43.97
	10/02/06	Best Buy	79.99
	10/17/06	CD's +	103.90
	11/07/06	CD's +	76.92
	12/01/06	Wal-Mart	70.97
	12/04/06	CD's +	107.87

<u>Description per Invoice (per discussions with Library Employee)^</u>	<u>Appears Reasonable</u>	<u>Improper</u>	<u>Unsupported</u>
Interlibrary loans	1.90	-	-
Unknown	-	-	3.15
Interlibrary loans	5.25	-	-
Fantastic Four and March of the Penguins	25.98	-	-
Progressive Scan DVD player, Infocus Big Play projector, service warranty for projector	888.98	-	-
Edison Force DVD, Shaggy Dog DVD , Health Inspector DVD, Detonator DVD	28.98	12.99	-
3 mouses and 2 packages of 9V batteries	60.95	-	-
Return of Infocus Big Play projector	(699.00)	-	-
Infocus projector, Karaoke Party Machine, 500GB My Book external hard drive	889.97	-	-
Failure to Launch DVD, She's the Man DVD, Broken Trail DVD, Hoot DVD	43.97	-	-
250GB 8MB PATA100 7200RPM HAR (<i>Hard drive</i>)	79.99	-	-
Sky High DVD, Red Green's Duct Tape Forever DVD, Napoleon Dynamite DVD, Cellular DVD, Akeelah and the Bee DVD, Over the Hedge DVD, Yours Mine and Ours DVD, Firewall DVD, Break-up DVD, Omen DVD, Prime DVD, Lake House DVD, Wizard of Oz DVD, One Hour Photo DVD	103.90	-	-
Fast and the Furious DVD, Nanny McPhee DVD, Cars DVD, Producers DVD, Family Stone DVD, Fever Pitch DVD, Chorus Line DVD, Adventures of Ichabod and Mr VHS, Muppet Treasure Island VHS	76.92	-	-
2 Light Bulbs, Popcorn Salt, 8 air filters, 4 in 1 kit, 2pk scissors, precis pro, office supp	70.97	-	-
Hidden Place DVD, Practical Magic DVD , Grease DVD, Crash DVD, Black Hawk Down DVD, R.V. DVD, Game DVD, Blood Work DVD, Flight of the Pheonix DVD, Capote DVD, Thomas Crown Affair DVD, Dodgeball DVD, Interpreter DVD, Story of Us DVD, To Wong Foo Thanks for Everything DVD, Scoop DVD, Waiting DVD	101.88	5.99	-

Report on Special Investigation of the
City of Center Point Library

Credit Card Purchases
January 1, 2006 through December 6, 2007

Name of Cardholder	Transaction Date	Transaction Detail	Amount
	12/19/06	CDS Plus CR	41.97
	01/06/07	CDS Plus CD	80.90
	01/13/07	CDS Plus CR	58.95
	01/30/07	CDS Plus CR	52.94
	02/20/07	CDS Plus CR	119.89
	03/14/07	CDS Plus CR	107.91
	04/13/07	Family Video	188.10
	04/16/07	Oriental Trading	162.62
	04/07/07	CDS Plus	65.93
	04/24/07	CDS Plus	68.95
	05/04/07	Family Video	5.54

Description per Invoice (per discussions with Library Employee)^	Appears Reasonable	Improper	Unsupported
Click DVD, Pirates of the Carribean DVD, Ice Harvest DVD, All the King's Men DVD	41.97	-	-
Winnie the Pooh VHS, Tall Tale VHS, Winnie the Pooh VHS, New World DVD, Veggie Tales DVD, Ice Age 2 DVD, Sixteen Blocks DVD, You Me and Dupree DVD, How to Eat Fried Worms DVD, Twelve Dogs of Christmas, Skeleton Key DVD, Black Dahlia DVD	80.90	-	-
Da Vince Code DVD, Jar Head DVD, Island DVD, Ice Princss DVD, Take the Lead DVD, Rumor Has It DVD, Celestine Prophecy DVD	58.95	-	-
Don't Say A Word DVD, One Night with the King DVD, Good Girl DVD, Talledega Nights DVD, Against the Ropes DVD, Shaggy Dog DVD, Benny & Joon DVD, United 93 DVD	52.94	-	-
X-Men 2 DVD, Step Up DVD, Date Movie DVD, Fearless DVD , Flicka DVD, John Wayne DVD, Superman Returns DVD, Love's Abiding Joy DVD, Beyond the Sea DVD, Goodnight and Good Luck DVD, Chicken Run DVD, X-Men DVD, You Got Served DVD	106.90	12.99	-
Just My Luck DVD, Stranger than Fiction DVD, School for Scoundrels DVD, Departed DVD, Garfield DVD, Devil Wears Prada DVD, Open Season DVD, Flushed Away DVD, Giant DVD, Wayne, John Mclintock DVD, Christmas Comes to Willow Cree DVD, X-Men 2 DVD, Joseph VHS	107.91	-	-
Spongebob VHS, Bob the Builder VHS, Bob the Builder VHS, Strawberry Shortcake VHS, Strawberry Shortcake VHS, Dora the Explorer VHS, Dora the Explorer VHS, VeggieTales, VeggieTales VHS, VeggieTales VHS, Care Bears VHS, Care Bears VHS, Wiggles VHS, Wiggles VHS, Wiggles VHS, Wiggles VHS, Caillou VHS, Caillou VHS, Bear in the Big House VHS, Bear in the Big House VHS, Easter Bunny Adventure VHS, Little Bear VHS, Backyardigans VHS, Backyardigans VHS, Backyardigans VHS	188.10	-	-
Easter Bobble Characters, Valentine Zoo stamps Patriotic Stickers, Glitter Heart Stickers, Plastic Foam Valentine Glid, Stickers, catalogs, magnifying glasses, stamp assortment	162.62	-	-
Eight Below DVD, Dreamer DVD, Two Brothers DVD, Holiday DVD, Pursuit of Happiness DVD, Babel DVD, Barbie Princess and Pauper DVD, Great American Western DVD, Guys & Dolls DVD, American Western 4 Movies DVD	65.93	-	-
Sixteen Blocks DVD, Happy Feet DVD, X-Men DVD, School for Scoundrels DVD, Friends with Money DVD, Casino Royale DVD, Children of Men DVD, Herbie Fully Loaded DVD, John Tucker Must Die DVD, Pursued DVD	68.95	-	-
Unknown	-	-	5.54

Report on Special Investigation of the
City of Center Point Library

Credit Card Purchases
January 1, 2006 through December 6, 2007

Name of Cardholder	Transaction Date	Transaction Detail	Amount
	05/14/07	CDS Plus	144.91
	05/18/07	American Library Association	83.00
	05/18/07	American Library Association	200.00
	06/02/07	CDS Plus	51.96
	06/08/07	Wal-Mart	15.85
	07/28/07	CDS Plus	48.95
	08/21/07	CDS Plus	65.94
	08/27/07	John's Lock & Key, Inc	38.78
	09/29/07	CDS Plus	90.93
	10/04/07	Iowa Library Association	151.00
	10/15/07	Marriot Hotels & Resorts	235.20
	10/18/07	CDS Plus	78.94
	10/29/07	CDS Plus	12.99
	11/09/07	Staples	36.72
	11/09/07	CDS Plus	77.96
		Subtotal	<u>3,989.60</u>

Description per Invoice (per discussions with Library Employee)^	Appears Reasonable	Improper	Unsupported
Monster House DVD, Wild Things DVD, World Trade Center DVD, Charlotte's Web DVD, Barbie DVD, Undefeated DVD, Big Jake DVD, Man of the Year DVD, Night at the Museum DVD, Eragon DVD, Blood Diamond DVD, Marine DVD, Rocky Balboa DVD, Dream Girls DVD, Music and Lyrics DVD, Catch & Release DVD, Guardian DVD, Dora the Explorer VHS, Dora the Explorer VHS, Penguins DVD	144.91	-	-
ALA Membership for Donna Turner	83.00	-	-
2007 ALA Annual Conference for 6/21/07 - 6/27/07 in Washington D.C.	200.00	-	-
Stick It DVD, Flags of Our Fathers DVD, Lucky Number Slevin DVD, Superman Returns DVD , Pursuit of Happiness DVD	41.97	9.99	-
Telephone and Cordless Telephone	15.85	-	-
Flicka DVD, Halloweentown DVD, Herbie Fully Loaded DVD, White Heart Highlands DVD, Da Vinci Code DVD, Stay DVD, Stay Alive DVD, Love's Enduring Promise DVD	48.95	-	-
Descent DVD, Wild Hogs DVD, Firehouse Dog DVD, Keeping Up with the Steins DVD, Little Vampire DVD, Pan's Labyrinth DVD, Rose Red DVD, Bob the Builder VHS, Bob the Builder VHS, Running with Scissors DVD	65.94	-	-
10 Keys and miscellaneous parts	38.78	-	-
Angelina Ballerina VHS, Bewitched DVD, Final Destination DVD, Veggie Tales DVD, Final Destination DVD, Two for the Money DVD, Knocked Up DVD, Hide and Seek DVD, Transporter DVD, Zodiac DVD, Pooh's Heffa Lump DVD, Cinderella 3 DVD, Shooter DVD	90.93	-	-
ILA Conference Registration - conference and meals	151.00	-	-
2 nights hotel charge on 10/10 - 10/11 for conference	235.20	-	-
American Dreamz DVD, Wedding Date DVD, Prince & Me DVD, Winter Passing DVD, Cold Creek Manor DVD, Night Listener DVD, Brooklyn Rules DVD, Surf's Up DVD, 300 DVD, Black Beauty DVD, Bug DVD, Mysterious Island DVD , Behind Enemy Lines DVD	78.93	0.01 #	-
Odd Girl Out DVD, Fantastic Four 2 DVD	12.99	-	-
4 - Staples Adding Machine Tape	36.72	-	-
Contract DVD, TMNT DVD, Ratatouille DVD, Deck the Halls DVD, Sin City DVD, Hannibal Lecter DVD, Spider-man 3 DVD, Vacancy DVD	77.96	-	-
	3,938.94	41.97	8.69

Report on Special Investigation of the
City of Center Point Library

Credit Card Purchases
January 1, 2006 through December 6, 2007

Name of Cardholder	Transaction Date	Transaction Detail	Amount
Janine M Cook-Walters			
	12/06/05	USPS	3.10
	12/08/05	USPS	3.10
	12/19/05	USPS	9.30
	01/03/06	USPS	10.90
	01/10/06	USPS	9.32
	01/13/06	USPS	7.88
	01/17/06	USPS	14.38
	01/26/06	USPS	9.48
	01/31/06	USPS	26.33
	02/07/06	USPS	11.79
	08/12/06	Staples	454.55
	08/13/06	Staples	(195.28)
	08/13/06	Staples	(259.27)
	08/13/06	Staples	376.90
	08/20/06	Barnes & Nobles	39.99
	08/27/06	Barnes & Nobles	(41.99)
	05/04/07	ESET	123.00
	06/28/07	Compumentor/Techsoup	266.00
	07/27/07	ILA	73.00
		Subtotal	942.48
		Total	<u>\$4,932.08</u>

^ - Descriptions appearing in **bold print** were determined to be improper.

- Promotional price of DVD after buying 10 DVD's.

Description per Invoice (per discussions with Library Employee)^	Appears Reasonable	Improper	Unsupported
<i>Interlibrary loans</i>	3.10	-	-
<i>Interlibrary loans</i>	3.10	-	-
<i>Interlibrary loans</i>	9.30	-	-
<i>Interlibrary loans</i>	10.90	-	-
<i>Interlibrary loans</i>	9.32	-	-
<i>Interlibrary loans</i>	7.88	-	-
<i>Interlibrary loans</i>	14.38	-	-
<i>Interlibrary loans</i>	9.48	-	-
<i>Interlibrary loans</i>	26.33	-	-
<i>Interlibrary loans</i>	11.79	-	-
MMF Black compact, Norton Ghost 10MB, Cyberpower 900, Staples RJ45 conne, Staples RJ45 crimp, 1 in durable view, Bookcase tier mis	454.55	-	-
Return of Norton Ghost 10MB and MMF Black compact	(195.28)	-	-
Return of Cyberpower 900, Staples RJ45 conne, Staples RJ45 crimp, 1 in durable view, Bookcase tier mis	(259.27)	-	-
Cyberpower 900, Staples RJ45 conne, Staples RJ45 crimp, 1 in durable view, Bookcase tier mis, WD 160 GB external	376.90	-	-
<i>Unknown</i>	-	-	39.99
<i>Unknown</i>	-	-	(41.99)
NOD32 Antivirus software, 3-user family pack, 2 years	123.00	-	-
2-Expression Web 1.0; 9-Office Professional Plus 2007; 1 Quicken Premier Home & Business 2006; 3-Windows Vista Upgrade 32-bit; 2-Windows XP Professional English/Multilanguage Upgrade	266.00	-	-
ILA Conference Registration held on 10/10/07 - 10/12/07 in Coralville	73.00	-	-
	<u>944.48</u>	<u>-</u>	<u>(2.00)</u>
	<u>4,883.42</u>	<u>41.97</u>	<u>6.69</u>

Report on Special Investigation of the
City of Center Point Library

Staff

This special investigation was performed by:

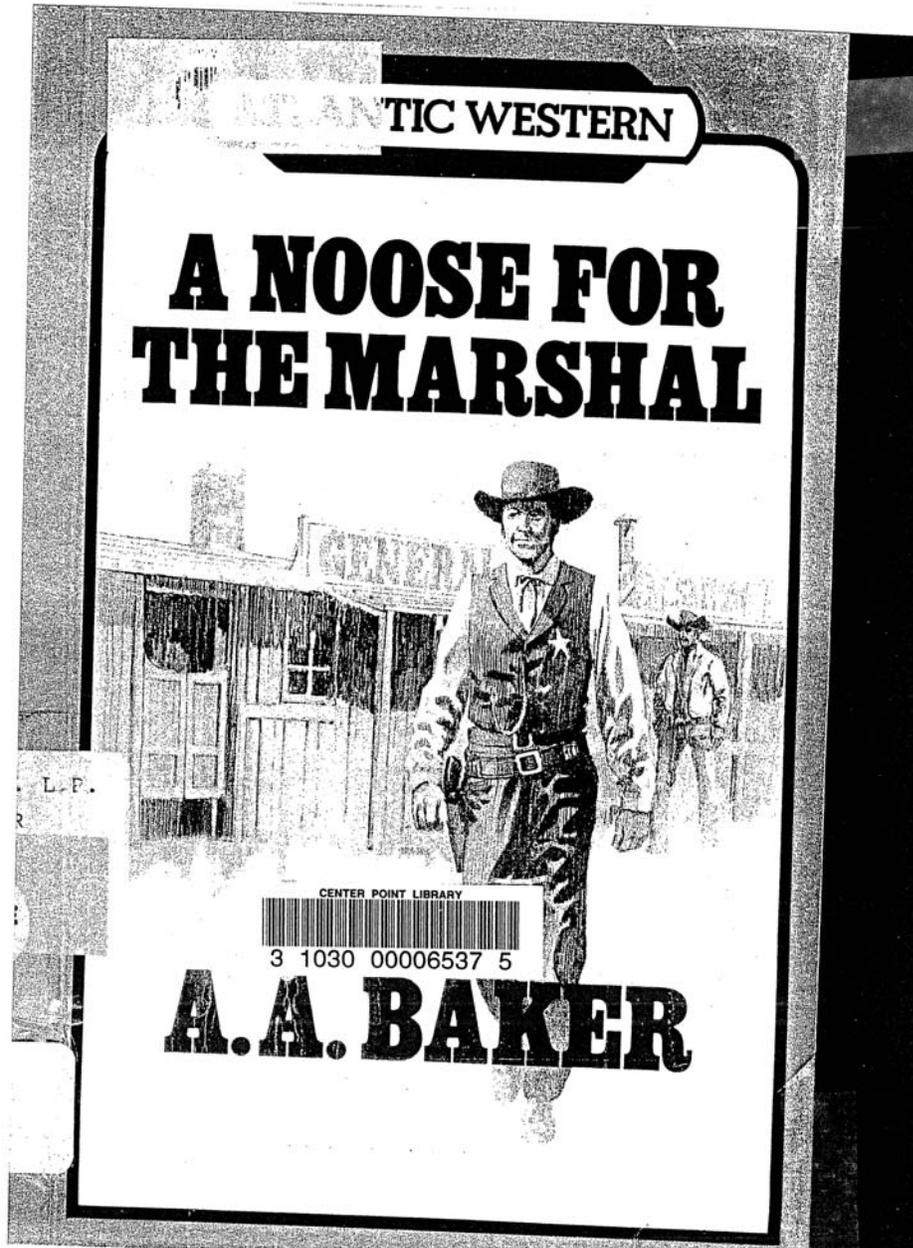
Annette K. Campbell, CPA, Director
Melissa J. Knoll-Speer, Senior Auditor
James R. Wittenwyler, Staff Auditor


Tamera S. Kusian, CPA
Deputy Auditor of State

Appendix

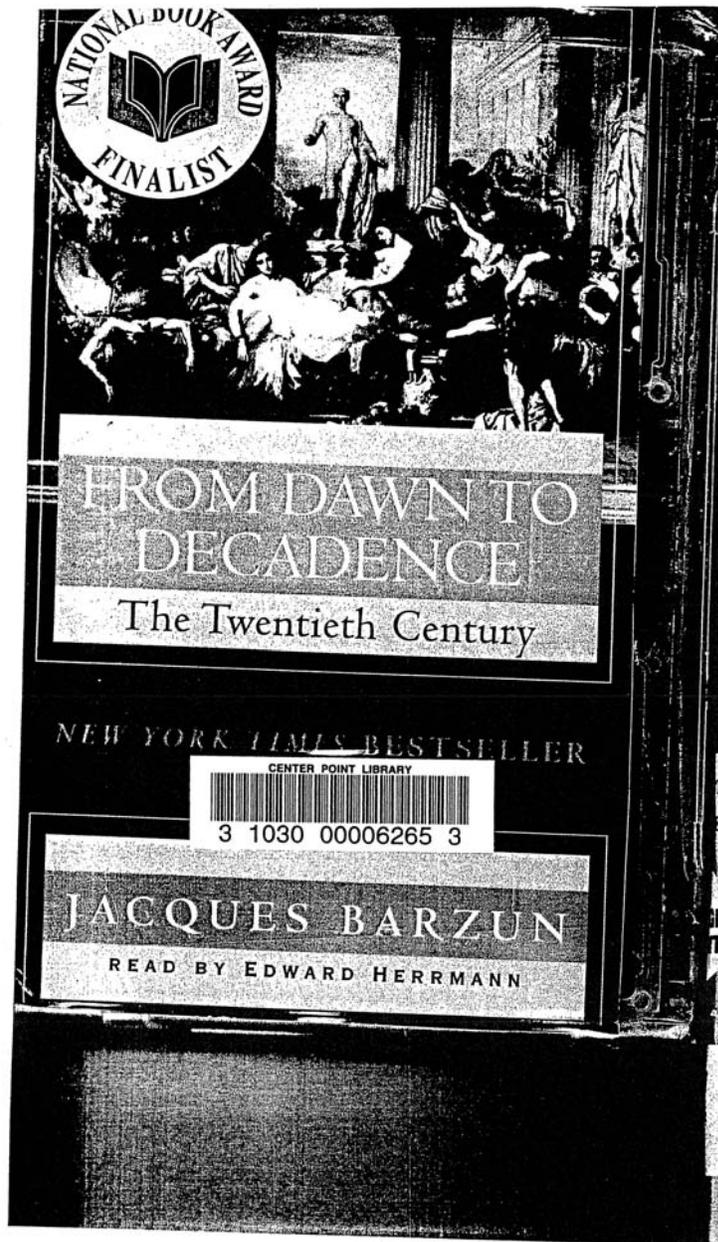
Report on Special Investigation of the
City of Center Point Library

Examples of Books Sold on Amazon.com



Report on Special Investigation of the
City of Center Point Library

Examples of Books Sold on Amazon.com



Report on Special Investigation of the
City of Center Point Library

Copy of Contractual Agreement with the Department of Education

12/04/2007 17:27 STATE LIBRARY OF IOWA → 913198492802

ND.668 0002

Agreement # 93607

25
4/19/07

CONTRACTUAL AGREEMENT
BETWEEN

STATE OF IOWA, DEPARTMENT OF EDUCATION, (DE), Division of Library Services
Miller State Office Bldg., 1112 E Grand Ave, Des Moines, IA 50319.
Department Contact Person: Steve Cox Phone: (515) 281-8947

AND
CONTRACTING PARTY - AGENCY OR INDIVIDUAL: Center Point Public Library
ADDRESS: P.O. Box 279 Phone: 319-849-1509
CITY, STATE, ZIP: Center Point, IA 52213
AGENCY CONTACT PERSON OR AGENCY PERSON TO PERFORM SERVICES: CONTRACTING PARTY: Donna Turner

IF AN INDIVIDUAL, SOCIAL SECURITY NUMBER: _____ IF AN AGENCY, FEIN NUMBER: 42-600606001

THE DEPARTMENT WILL COMPENSATE FOR THE FOLLOWING SERVICES RENDERED BY CONTRACTING PARTY:
(DESCRIPTION OF SERVICES) The State Library of Iowa conducted five rural sustainability workshops during the summer of 2006 and selected 5 participants for the Rural Library Sustainability Forum. Each participant (Library) is awarded \$2,050 from the Gates Foundation Rural sustainability Grant to defray costs. Each participant will submit an accounting of the funds and return any remaining funds after the conclusion of the Forum.

CONTRACT PERIOD: Service begins: 02/28/07 Service ends: 06/27/07

COMPENSATION: As indicated and in accordance with the stated terms below.
\$0.00 Contract is for actual costs estimated as shown here in total and itemized below under "Associated Costs" section.
\$2,050.00 Contract is for a specified fee totaling the shown amount for _____ (Number) _____ (Units) at \$ _____ per _____ (Unit)
\$2,050.00 **CONTRACT IS NOT TO EXCEED AMOUNT SHOWN ON THIS LINE.**

ASSOCIATED COSTS: Only the items designated are covered; required documentation is indicated under "Other Conditions and items" section. (Estimated costs shown)

TRAVEL: FROM TO AND RETURN
via means and for the amounts shown:
Air Coach \$ Auto \$ Taxi \$ Parking \$
Other \$ (As stipulated in "Description of Services" section.)
\$ MEALS: Actual and necessary; not to exceed the following rates:
Breakfast \$ Lunch \$ Dinner \$
\$ LODGING: Number of nights not to exceed \$ per night, plus tax.
\$ OTHER: (ITEMIZE)

CLAIM/PAYMENT PROVISIONS: See above description of services

Payment requests should be submitted to the attention of: Steve D. Cox

FOR DEPARTMENT OF EDUCATION USE ONLY							PAYMENTS
FUND	AGENCY	ORGN	S/ORG	OBJ	PROG	AMOUNT	
0282	0282	6104		4125	6LGF	\$2,050.00	
	0282						
	0282						
	0282						
TOTAL CONTRACT AMOUNT						\$2,050.00	
PRE-CONTRACT (ATTACHED OR N/A)		SOLE SOURCE (ATTACHED OR N/A)		PRIOR APPROVAL (ATTACHED OR N/A)			

Report on Special Investigation of the
City of Center Point Library

Copy of Contractual Agreement with the Department of Education

12/04/2007

17:27

STATE LIBRARY OF IOWA → 913198492802

NO. 668 0003

OTHER CONDITIONS/REQUIREMENTS: Unless otherwise stipulated, the rates and requirements listed below shall apply:

Mileage reimbursement rate: 34¢ per mile.

Original Receipts: Must be submitted with a signed claim when the contract is with an individual. Receipts are required for the following: (Credit card receipts are not acceptable)

- TRAVEL: Air coach, taxi fares, related parking fees and car rental.
- LODGING: Reimbursement approved only for those residing outside the designated meeting site. Lodging must be outside contracting party's domicile.
- OTHER: Registration fees and other items (as designated under "Associated Costs" section) require receipts unless specified otherwise.

Itemized Invoice: An agency must submit an itemized invoice detailing the expenses allowed by the contract.

ALL CLAIMS MUST BE FILED WITHIN 30 DAYS FOLLOWING THE CONTRACT SERVICE ENDING DATE.

TERMINATION: This contract may be terminated by either party upon ten- (10) days written notice.

NONTRANSFERENCE: Unless otherwise stipulated in this contract, the contracting party shall not transfer any interest in this contract without prior written approval from the Department of Education.

AMENDMENTS: Requests for an approval of amendments to this agreement must be mutually acceptable and in writing.

INDEMNIFICATION: The contracting party agrees jointly and severally to indemnify and hold the State, its successors and assigns harmless from and against all liability, loss, damage, or expense, including reasonable counsel fees, which the State shall incur by reason of the failure of the contracting party to perform fully and comply with the terms and obligations of this agreement.

AVAILABILITY OF FUNDS: This contract is subject to the anticipated availability of Federal and/or State funds under the program from which it is supported.

ASSURANCE: THE CONTRACTING PARTY, BY SIGNATURE AFFIXED BELOW, ASSURES THE DEPARTMENT THAT SAID CONTRACTING PARTY IS OPERATING IN COMPLIANCE WITH ALL APPLICABLE FEDERAL, STATE, AND LOCAL STATUTES, RULES AND REGULATIONS. INCLUDING CERTIFICATION THAT THE CONTRACTOR AND/OR ITS PRINCIPAL OFFICIALS ARE NOT SUSPENDED OR DISBARRED.

REPRESENTATIONS: VERBAL OR WRITTEN, THAT MAY HAVE BEEN MADE PRIOR TO THE SIGNING OF THIS CONTRACT AND ARE NOT EXPRESSLY STATED IN THE TERMS OF THE CONTRACT, ARE NONBINDING, VOID AND OF NO EFFECT. NEITHER PARTY HAS RELIED ON SUCH PRIOR REPRESENTATIONS IN ENTERING INTO THIS CONTRACTUAL AGREEMENT.

Sandy Dixon
State Library of Iowa Contact

Program Director 2/19/07
Title Date

Memo Weems
State Library of Iowa Administration

State Librarian 4/17/07
Title Date

Donna Turner
Contracting Agency or Individual

Director Center Point Lib 4/19/07
Title Date

Roger Stuber
DE Authorizing Signature

Chief Internal Operations 04/19/07
Title Date

CONTRACTING PARTY: SIGN, DATE, AND RETURN ORIGINAL COPY TO THE DEPARTMENT. THIS CONTRACT WILL BE VALID WHEN YOU RECEIVE A COPY WITH THE DEPARTMENT OF EDUCATION'S AUTHORIZING SIGNATURE.

AGREEMENT # 93607

Report on Special Investigation of the
City of Center Point Library

Copies of Documents Submitted by Ms. Turner

Donna Turner

From: ALA Registration [registration@ala.org]
Sent: Monday, May 21, 2007 5:30 PM
To: cpulib@fmtcs.com
Subject: ANNUAL Meeting Receipt/Confirmation

Donna L. Turner
Po Box 279
Center Point, IA 52213-0279
ID: 0250316

May 21, 2007

Meeting: 2007 ALA Annual Conference & Exhibition
Thursday, June 21, 2007, through Thursday, June 28, 2007

Washington Convention Center
801 Mount Vernon Place, N.W.
Washington, DC 20001

Thank you for registering for the 2007 ALA Annual Conference & Exhibition. This confirmation will serve as your receipt. Please verify that the information listed is accurate. For questions, contact our Registration Center at 1-800-545-2433, option 5.

We have recorded the following information for your Badge:

Name: Donna Turner
Organization: Center Point Public Library
City: Center Point
State: IA

You are registered for the following:

Conference Registration	Qty - 1	\$200.00
-------------------------	---------	----------

We have received a payment of \$200.00, leaving a balance due of \$0.00.

Important note: If you were placed on a waiting list for an event (indicated by a "0" in the quantity line and "\$0.00" in the amount line) and space should become available, we will notify you.

CANCELLATIONS/REFUNDS

Written request for refunds must be postmarked, faxed or electronically submitted by May 18, 2007. There will be no refunds for cancellations received after May 18, 2007. Cancellations will be subject to a \$25.00 processing fee. Cancellations can be electronically submitted by sending a cancellation email request to registration@ala.org. No phone cancellations will be accepted. No refunds given for "Exhibits Only" or "Exhibits Plus badges. Refunds will be processed after July 1, 2007.

If your registration fee included membership, you will receive additional information under a separate cover.

For hotel and airline reservations contact ITS Group at 800-974-9833 or online through the ALA home page: <http://www.ala.org/annual>

See you in Washington, DC!

_____ NOD32 2284 (20070522) Information _____

This message was checked by NOD32 antivirus system.
<http://www.eset.com>

Report on Special Investigation of the
City of Center Point Library

Copies of Documents Submitted by Ms. Turner

R - Refreshments - Complimentary
S - Snack
T - Cold meal

Passenger Information

DONNA TURNER

Skymiles Number: *****307

Billing Details

Receipt Information

Fare Details: CID DL X/CVG DL WAS166.51LORNBV DL X/CVG DL CID68.83U7RNBV USD2
35.34END ZP CIDCVGDCACVG XT AY 10.00 XF 18.00 CID4.5CVG4.5DCA4.5CVG4.5

Fare: 235.34 USD Form of Payment AX*****41001
Tax: 28.00 XT
Tax: 17.65 US
Tax: 13.60 ZP
Total: 294.59 USD

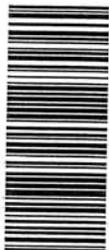
NON-REF/\$CHANGE FEE

Note: If ticket purchase was by credit card and within 5 days of travel, you must present this card at time of travel. When using certain vouchers to purchase tickets, remaining credits may not be refunded. Additional charges and/or credits may apply and are displayed in the sections below.

This ticket is non-refundable unless issued at a fully refundable fare. Any change to your itinerary may require payment of a change fee and increased fare. Failure to appear for any flight without notice to Delta will result in cancellation of your remaining reservation.

Ticketing Details

Scan this barcode at a Delta Self-Service Kiosk to access your reservation.

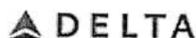


TICKET #: 00623320243744
Issue Date: 05/12/07 Expiration: 05/12/08
Place of Ticket Issue: WWWRES
Issuing Agent Id: DL/WW
Ticket Issue date: 12MAY07
Not Transferable

[Special offers](#) for Delta flyers.

[Get Flight Notifications](#) via Flight Messenger.

[Hotel Search](#) by Hilton.



Conditions of Carriage

Report on Special Investigation of the
City of Center Point Library

Copies of Documents Submitted by Ms. Turner

• 1430 Rhode Island Avenue, NJ •
• Washington, DC 20005 •
• t 202.462.9001 •
• f 202.332.3519 •
• hotelhelix.com •



TURNER, DONNA

50 EAST HURON STREET
CHICAGO, IL 60611 US

Room Number: 610
Daily Rate: 209.00
Room Type: DBDX
No. of Guests: 1/0

ARRIVAL DATE	DEPARTURE ROOM NO.	CREDIT CARD DESCRIPTION	RATE PLAN REFERENCE	CATEGORY GCNV	ACCOUNT 111802137391
06/21/07	610	ROOM CHARGE	#610 Turner, Donna		\$189.00
06/21/07	610	TAX-ROOM-CITY	TAX-ROOM-CITY		\$27.41
06/22/07	610	ROOM CHARGE	#610 TURNER, DONNA		\$189.00
06/22/07	610	TAX-ROOM-CITY	TAX-ROOM-CITY		\$27.41
06/23/07	610	ROOM CHARGE	#610 TURNER, DONNA		\$189.00
06/23/07	610	TAX-ROOM-CITY	TAX-ROOM-CITY		\$27.41
06/24/07	610	ROOM CHARGE	#610 TURNER, DONNA		\$189.00
06/24/07	610	TAX-ROOM-CITY	TAX-ROOM-CITY		\$27.41
06/25/07	610	ROOM CHARGE	#610 TURNER, DONNA		\$189.00
06/25/07	610	TAX-ROOM-CITY	TAX-ROOM-CITY		\$27.41
06/26/07	610	Am Exp			(\$1082.05)

(\$0.00)



Report on Special Investigation of the
City of Center Point Library

Copy of Travel Log Reviewed by the Department of Education

12/04/2007

17:27

STATE LIBRARY OF IOWA → 913198492802

NO.668 0007

STATE OF IOWA - NON-EMPLOYEE TRAVEL LOG

(Attach supporting documentation to the back of this form)

Document Number		Vendor Line									
Name and Home Address		Official Domicile									
Purpose of Travel		Purpose of Travel									
CENTER POINT PUBLIC LIBRARY PO BOX 279 CENTER POINT, IA 52213		<input type="checkbox"/> Normal Job Duties <input type="checkbox"/> Meeting <input type="checkbox"/> Training <input checked="" type="checkbox"/> Conference/Seminar									
		<input type="checkbox"/> Staff Development <input type="checkbox"/> Required by Federal Government <input type="checkbox"/> Other (Specify Below)									
YEAR	DATE	TRAVEL	STATE VEHICLE	MEALS	LODGING	TRANSPORTATION	TOTAL	REIMB TOTAL	ACTUAL	REIMB TOTAL	TOTAL
07			X PERSONAL								
4/20		ALA Membership									83.00
4/20		ALA Convention									544.88
4/20	4/20	Airfare						1022.00	1022.00		1022.00
5/21	5/23	Cab Fare					175.00				175.00
5/21		Meals					25.00	45.00	70.00		70.00
5/23		Meals					22.50	35.00	57.50		57.50
5/23		Meals					14.00	30.00	44.00		44.00
5/25		Meals					15.00	25.00	40.00		40.00
5/26		Meals									
5/23		Children's Books									40.00
TOTALS								207.00	1082.50		1289.50
Transportation And Other Expense Codes must be completed.								DOCUMENT TOTAL	2375.99		1974.09
ROUTINE USES OF THIS FORM ARE TO FULFILL IRS REQUIREMENTS, IDENTIFY INDIVIDUAL CLAIMS FOR PUBLIC INSPECTION, PROVIDE THE STATE VEHICLE DISPATCHER INFORMATION, AND TO PREPARE ANNUAL SALARY BOOK											
CLAIMANT'S CERTIFICATION						Transportation And Other Expense Codes (REQUIRED ABOVE)					
I CERTIFY THAT THE ITEMS FOR WHICH PAYMENT/REIMBURSEMENT IS CLAIMED WERE FURNISHED FOR STATE BUSINESS UNDER THE AUTHORITY OF THE LAW AND THAT THE CHARGES ARE REASONABLE, PROPER, AND CORRECT, AND NO PART OF THIS CLAIM HAS BEEN REIMBURSED OR PAID BY THE STATE, EXCEPT ADVANCES SHOWN, AND I UNDERSTAND THE ROUTINE USES OF THIS FORM.						A - Air F - Local Phone R - Registration B - Bus/Cab L - Laundry S - Supplies D - LD Phone P - Parking T - Tolls					
Other (Specify)						(75.91)					
Commuting Miles Excluded?		Yes <input checked="" type="checkbox"/> No		Travel Includes Vicinity Miles?		Yes <input type="checkbox"/> No		Travel Advance Information (if Applicable)			
TITLE		Donna Turner - Director Center Pt Library		Vendor Number		DATE		AGENCY AUTHORIZED SIGNATURE			
CLAIMANT'S SIGNATURE		[Signature]		DATE		8/20/07		Vendor Invoice Number			
Account Coding Information For I3 Data Entry											
Fund	Org	Prog	2423	2427	2450	2469	2499				
0282	6104	6LGF									
Total											

Report on Special Investigation of the
City of Center Point Library

Copy of Authentic Hotel Helix Receipt

• 143D Rhode Island Avenue, NW •
• Washington, DC 20005 •
• t 202.462.9001 •
• f 202.322.3519 •
• hotelhelix.com •



LEVENHAGEN, DENISE

Room Number: 609

Daily Rate: 209.00

50 EAST HURON STREET
CHICAGO, IL 60611 US

Room Type: DBDX

No. of Guests: 3 / 0

ARRIVAL	DEPARTURE	CREDIT CARD	RATE PLAN	CATEGORY	ACCOUNT
06/21/07	06/26/07	XXXXXXXXXXXX1001	XICNV	GCONV	11180137391
DATE	ROOM NO	DESCRIPTION	REFERENCE		AMOUNT
06/21/07	609	ROOM CHARGE	#609 LEVENHAGEN, DENISE		\$209.00
06/21/07	609	TAX - ROOM - CITY	TAX - ROOM - CITY		\$30.31
06/22/07	609	ROOM CHARGE	#609 LEVENHAGEN, DENISE		\$209.00
06/22/07	609	TAX - ROOM - CITY	TAX - ROOM - CITY		\$30.31
06/23/07	609	ROOM CHARGE	#609 LEVENHAGEN, DENISE		\$209.00
06/23/07	609	TAX - ROOM - CITY	TAX - ROOM - CITY		\$30.31
06/24/07	609	ROOM CHARGE	#609 LEVENHAGEN, DENISE		\$209.00
06/24/07	609	TAX - ROOM - CITY	TAX - ROOM - CITY		\$30.31
06/25/07	609	ROOM CHARGE	#609 LEVENHAGEN, DENISE		\$209.00
06/25/07	609	TAX - ROOM - CITY	TAX - ROOM - CITY		\$30.31
06/26/07	609	AMERICAN EXPRESS	AMERICAN EXPRESS		(\$398.85)
06/26/07	609	DISCOVER	DISCOVER		(\$398.85)
06/26/07	609	VISA	VISA		(\$398.85)

CREDIT DUE: (\$0.00)



Report on Special Investigation of the
City of Center Point Library

Copy of Repayment Check from Ms. Turner

DONALD G. RIBBLE
H. EDWARD BEATTY
SCOTT E. McLEOD
WILFORD H. STONE
SEAN W. McPARTLAND
MATTHEW J. NAGLE

LYNCH DALLAS, P.C.
ATTORNEYS AT LAW
Established in 1926

526 SECOND AVENUE SE
P.O. BOX 2457
CEDAR RAPIDS, IOWA 52406-2457
TELEPHONE 319 365-9101
FACSIMILE 319 365-9512
www.lynchdallas.com
WRITER'S E-MAIL poconnell@lynchdallas.com
VOICE MAIL EXTENSION 131

PATRICK J. O'CONNELL
CORINNE R. BUTKOWSKI
AMY L. REASNER
CYNTHIA A. M. PARKER
RYAN M. SAWYER

December 13, 2007

Anne Loomis, Attorney at Law
Allen, Vernon & Hoskins, P.L.C.
1175 8th Avenue, P.O. Box 488
Marion, Iowa 52302

Re: Donna Turner

Dear Anne:

Enclosed please find a check in the amount of \$1,356.56 from my client. My client only has receipts showing expenditures in the amount of \$693.44, although she is quite certain she spent significantly more money than that. Out of an abundance of caution, however, she is returning the largest possible figure. If your clients disagree with this figure, please advise at your earliest possible convenience.

I have not indicated any specific entity in the Payee blank because I am not sure to whom my client needs to make the check payable. You may fill in this line with the correct entity's name.

Very truly yours,

LYNCH DALLAS, P.C.

By: *Patrick J. O'Connell*
Patrick J. O'Connell

DONNA I. TURNER
 CENTER POINT, IA 52213
 DATE _____ 573
 72-2168/739

PAY TO THE ORDER OF _____ \$ 1,356.56
One Thousand Three Hundred Fifty-Six and 56/100 DOLLARS


KEYSTONE
 savings bank
Center Point, Iowa 52213 • (319) 849-1553


GOLDEN KEY
Donna Turner MP

573